

## PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Kathi & Ron Enzenbacher  
DOCKET NO.: 04-01658.001-R-1  
PARCEL NO.: 04-13-021-007

The parties of record before the Property Tax Appeal Board are Kathi and Ron Enzenbacher, the appellants, by attorney Joanne P. Elliott of Elliott & Associates, Des Plaines; and the Carroll County Board of Review by attorneys David O. Edwards and Christopher E. Sherer of Giffin, Winning, Cohen & Bodewes, P.C., Springfield.

The subject property consists of a contemporary style single family dwelling that contains 2,696 square feet of living area. The dwelling is approximately 4 years old. Features of the home include a full finished basement, three fireplaces, central air conditioning, and a two-car attached garage. Other features include a two-car carport, a deck, a gazebo, a beach house and an in-ground swimming pool. The improvements are located on a 1.26 acre lake front parcel along Lake Carroll, Freedom Township, Carroll County.

At the beginning of the hearing the parties to the appeal stipulated to the qualifications of their respective appraisers to give opinion testimony.

The appellants contend overvaluation as the basis of the appeal. In support of this argument the appellants submitted an appraisal prepared by real estate appraiser D. Joe Clarkson. Clarkson estimated the subject property had a market value of \$595,000 as of January 30, 2004. Clarkson was called as the appellants' witness. Clarkson testified he has appraised over 250 homes in the Lake Carroll area. He personally inspected the subject property and measured the dwelling using a tape measure and a laser of the exterior dimensions to determine the home had 2,696 square feet with 2,174 square feet on the main floor and a loft with approximately 521 square feet.

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Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds a reduction in the assessment of the property as established by the Carroll County Board of Review is warranted. The correct assessed valuation of the property is:

LAND:	\$	46,667
IMPR.:	\$	163,963
TOTAL:	\$	210,630

Subject only to the State multiplier as applicable.

In estimating the market value of the subject property Clarkson developed both the cost and sales comparison approaches to value. Under the cost approach the appellants' appraiser estimated the subject property had a land value of \$150,000. In estimating the cost new of the improvements Clarkson indicated he used the Marshall and Swift Cost Handbook and local contractor estimates. The subject's above grade living area was estimated to have a cost new of \$97.75 per square foot of living area or \$263,534. The subject's below grade living area was estimated to have a unit value of \$50.81 per square foot of living area or \$140,693. Clarkson then added \$33,687 for the decks, porch, gazebo and beach house and \$24,225 for the carport and garage. The total estimated cost new was \$462,139. In the report the appraiser estimated the subject had a remaining economic life of 50 to 55 years and 5% physical depreciation based on the age life method. However, the appraiser deducted \$38,496 in physical depreciation which equates to approximately 8% of cost new. Clarkson was of the opinion the subject suffered from no functional or external obsolescence. The depreciated value of the improvements was \$423,643. To this the appraiser added \$50,000 for site improvements and the land value to arrive at an indicated value under the cost approach of \$623,643.

The next approach to value developed by Clarkson was the sales comparison approach. In selecting the sales he searched the previous 12 months and presented the only available sales at the high end of the value range at that time. The witness described the subject's beach house as being heated and cooled but had no plumbing. Under the sales comparison approach the appraiser used six sales located from .11 to 2.16 miles from the subject property. The comparables were described as being improved with single-family dwellings that ranged in size from 1,350 to 2,418 square feet of above grade living area. The homes were described as being improved with two, ranch style dwellings; three, contemporary style dwellings; and a two-story dwelling. The comparable homes ranged in age from 5 to 18 years old and were located on parcels that ranged in size from .70 to 1.59 acres. Each comparable had a finished basement, central air conditioning, one or two fireplaces and a two or three-car garage. One of the comparables was described as having a beach house. These properties sold from December 2002 to October 2003 for prices ranging from \$490,000 to \$545,000 or from \$206.78 to \$403.70 per square foot of above grade living area. After making adjustments to the comparables the appraiser was of the opinion these properties had adjusted sales prices ranging from \$546,720 to \$704,300. Based on these sales the appraiser estimated the subject had an indicated value under the sales comparison approach of \$595,000.

Clarkson placed most weight of the sales comparison approach and estimated the subject property had a market value of \$595,000 as of January 30, 2004.

Under cross-examination Clarkson testified he had appraised his comparable sales numbered 3, 4, 5 and 6 and had inspected the interior of these four comparables. The appellant's appraiser acknowledged the subject's beach house had a deck and a fireplace.

The board of review submitted its "Board of Review Notes on Appeal" wherein its final assessment of the subject totaling \$261,298 was disclosed. The subject's assessment reflects a market value of approximately \$787,750 or \$363.19 per square foot of above grade living area using the 2004 three year median level of assessments for Carroll County of 33.17%.

In support of its position the board of review submitted an appraisal prepared by Frank P. Petta estimating the subject property had a market value of \$840,000 as of January 1, 2004. Petta was called as a witness on behalf of the board of review.

Petta testified he inspected the exterior of the subject property and was denied access to the interior of the subject by attorney Joanne Elliott.

In estimating the market value of the subject property Petta developed the cost approach and sales comparison approaches to value. Under the cost approach the appraiser first estimated the site value to be \$240,000. The appraisal contained five sales and one listing of vacant lots that were used to estimate the value of the subject's land. In estimating the reproduction cost new of the improvements the appraiser used the Marshall & Swift Cost Manuals and also examined the Carroll County building permit to get the construction costs of the house. He also considered the cost of the slate roof and pool. In calculating the cost new the appraiser utilized an above grade living area of 2,787 square feet and a below grade area of 2,787 square feet. For the above grade area the appraiser estimated a cost new of \$141.40 per square foot resulting in a cost estimate of \$388,143. The below grade area had an estimated cost new of \$59.10 per square foot resulting in a cost estimate of \$164,712. The garage was estimated to have a cost new of \$24.95 per square foot resulting in a cost of \$25,449. Adding these components resulted in a total cost new for these improvements of \$578,304. The appraiser indicated that the life expectancy for the good to excellent quality construction was 60 to 65 years. The appraiser estimated the subject had a remaining economic life of 58 years with an effective age of 2 years resulting in physical depreciation of 3.33% or \$19,258. Deducting depreciation resulted in a depreciated value of the improvements of \$559,046. To this the

appraiser added \$77,500 for site improvements and the estimated land value to arrive at an indicated value by the cost approach of \$876,546.

The next approach to value developed by Petta was the sales comparison approach. The appraiser used four comparable sales and two listings. The appraiser described the comparables as being improved with one, 1.5 story dwelling; and five, contemporary style dwellings that ranged in size from 2,019 to 3,214 square feet of living area. The dwellings ranged in age from 6 to 16 years old and were located from approximately 200 feet to 2.3 miles from the subject property. Each of the comparables had a finished walk-out basement, central air conditioning, one or three fireplaces, either a two or three-car attached garage, and two had two or three-car carports. The four sales occurred from February 2003 to November 2004 for prices ranging from \$500,120 to \$950,000 or from \$198.82 to \$395.84 per square foot of living area. The appraiser adjusted these sales for differences from the subject and estimated these comparables had adjusted sales prices ranging from \$611,120 to \$939,900. The two listings had prices of \$729,000 and \$975,000 or \$361.07 and \$310.21 per square foot of living area. The appraiser adjusted these listings for differences from the subject and estimated these properties had adjusted prices of \$764,400 and \$893,800. The appraiser estimated the subject had an estimated value under the sales comparison approach of \$840,000.

Comparable number 4 was also the same as Clarkson's comparable number 5. Petta concluded this sale had an adjusted sales price of \$611,120 compared to Clarkson's adjusted sales price of \$546,720. Petta was questioned about his adjustments to comparable number 4. He did not make an adjustment to this comparable for the differences in the beach house located on the subject and the beach house on comparable number 4. The appraiser gave little weight to comparable number 4 because of the manner in which the sale was reported. The witness indicated this sale had a total price of \$608,960 but was reported to have included \$108,840 in personal property, which was deducted to arrive at the price of the real estate.

Petta testified he gave most weight to sale number 1 that sold in June 2004 for a price of \$800,000 and had an adjusted sales price of \$842,700.

In reconciling the two approaches to value the appraiser indicated the sales comparison approach is considered to be the most indicative of the final value estimate. Petta estimated the subject property had a market value of \$840,000 as of January 1, 2004.

Under cross-examination Petta was questioned about the transaction dates of the comparable sales and the valuation date and his lack of a time adjustments. He was also questioned about the garage adjustment he made to comparable number 3 of \$10,000. The witness also was questioned about his use of listings (comparables 5 and 6) in his sales comparison analysis. The witness was aware comparable number 6 sold in September 2006 for \$800,000 based on an MLS listing information even though it was listed for \$975,000. The witness testified he had not appraised any of his comparables. He testified he became familiar with the finish and amenities of the comparables from public sources or multiple listing services. The appraiser testified that his comparable number 2 actually sold for \$1,600,000 and he deducted the price of two additional lots to arrive at a price of \$950,000.

The next witness called on behalf of the board of review was the supervisor of assessments Vivian Eaton. She testified about the development of Lake Carroll since its inception in 1973. She is familiar with the subject property from the exterior and with the property at 21-42 Marina Court (Clarkson's comparable #5 and Petta's comparable #4) from the exterior. She did not believe this property was superior to the subject in location. The witness indicated the cost to construct the home was \$506,522 excluding the land value. The witness also indicated the subject's deck and boathouse had a cost of \$40,000. She further indicated that the subject has a slate roof that was added to the subject that required a modification to the rafters.

Clarkson was called as a rebuttal witness by the appellant. Clarkson testified he had been in comparables 1, 3, 4 and 6 of Petta's appraisal. He was of the opinion that Petta's comparable 6 sold in July 2006 for a price of \$750,000 not \$800,000. He also testified that Petta's comparable number 5 is currently listed for a price of \$619,000 as compared to the list price of \$729,000 stated in the appraisal. Clarkson chose not to use Petta's comparables 1, 2 and 3 due to their dates of sale.

After hearing the testimony and considering the evidence the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of the appeal. The Board further finds the evidence in the record supports a reduction in the assessment of the subject property.

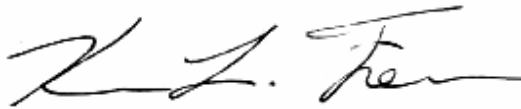
The Board finds the two appraisers were in agreement that the sales comparison approach is to be given the most weight. The Board further finds the appraisers were in general agreement with respect to the description of the subject and its condition. The appraisers had one common sale, Clarkson's comparable 5 and Petta's comparable 4, that occurred in February 2003 for a price of \$500,120. Petta indicated that this property actually sold

for a price of \$608,960 but \$108,840 was deducted for personal property resulting in a price of \$500,120. Because of this significant deduction the Board gives this sale less weight. The Board also gives less weight to Petta's comparable sale number 2 which included two additional lots and had an actual sales price of \$1,600,000. Petta deducted \$650,000 or almost 41% of the sales price as the contributory value of the additional lots, which calls into question whether that sale is indicative of the subject property. The Board also gives little weight to the listings contained in Petta's appraisal because they were not consummated transactions that reflect the actions of buyers and sellers. The seven remaining sales had varying degrees of similarity with the subject property. The transactions occurred from December 2002 to September 2004 for prices ranging from \$490,000 to \$800,000 and adjusted prices ranging from \$557,300 to \$842,700. The mean adjusted sales price of these remaining sales was \$632,400. The Board finds the comparable with the adjusted sales price of \$632,400 was very similar to the subject in size, age and features. This comparable also had the least net adjustment to its sales price. Seven of these eight sales had adjusted prices ranging from \$557,300 to \$704,300. The subject's assessment of \$261,298 reflects a market value of approximately \$787,750, which is excessive in light of these sales. After examining the sales data, reviewing the appraisals and considering the testimony of the appraisers the Property Tax Appeal Board finds the subject property had a market value of \$635,000 as of January 1, 2004. Since market value has been determined the 2004 three year median level of assessments for Carroll County of 33.17% shall apply.

This is a final administrative decision of the Property Tax Appeal Board which is subject to review in the Circuit Court or Appellate Court under the provisions of the Administrative Review Law (735 ILCS 5/3-101 et seq.) and section 16-195 of the Property Tax Code.



Chairman



Member



Member

Member

Member

DISSENTING: \_\_\_\_\_

C E R T I F I C A T I O N

As Clerk of the Illinois Property Tax Appeal Board and the keeper of the Records thereof, I do hereby certify that the foregoing is a true, full and complete Final Administrative Decision of the Illinois Property Tax Appeal Board issued this date in the above entitled appeal, now of record in this said office.

Date: February 29, 2008



Clerk of the Property Tax Appeal Board

**IMPORTANT NOTICE**

Section 16-185 of the Property Tax Code provides in part:

"If the Property Tax Appeal Board renders a decision lowering the assessment of a particular parcel after the deadline for filing complaints with the Board of Review or after adjournment of the session of the Board of Review at which assessments for the

subsequent year are being considered, the taxpayer may, within 30 days after the date of written notice of the Property Tax Appeal Board's decision, appeal the assessment for the subsequent year directly to the Property Tax Appeal Board."

In order to comply with the above provision, YOU MUST FILE A PETITION AND EVIDENCE WITH THE PROPERTY TAX APPEAL BOARD WITHIN 30 DAYS OF THE DATE OF THE ENCLOSED DECISION IN ORDER TO APPEAL THE ASSESSMENT OF THE PROPERTY FOR THE SUBSEQUENT YEAR.

Based upon the issuance of a lowered assessment by the Property Tax Appeal Board, the refund of paid property taxes is the responsibility of your County Treasurer. Please contact that office with any questions you may have regarding the refund of paid property taxes.